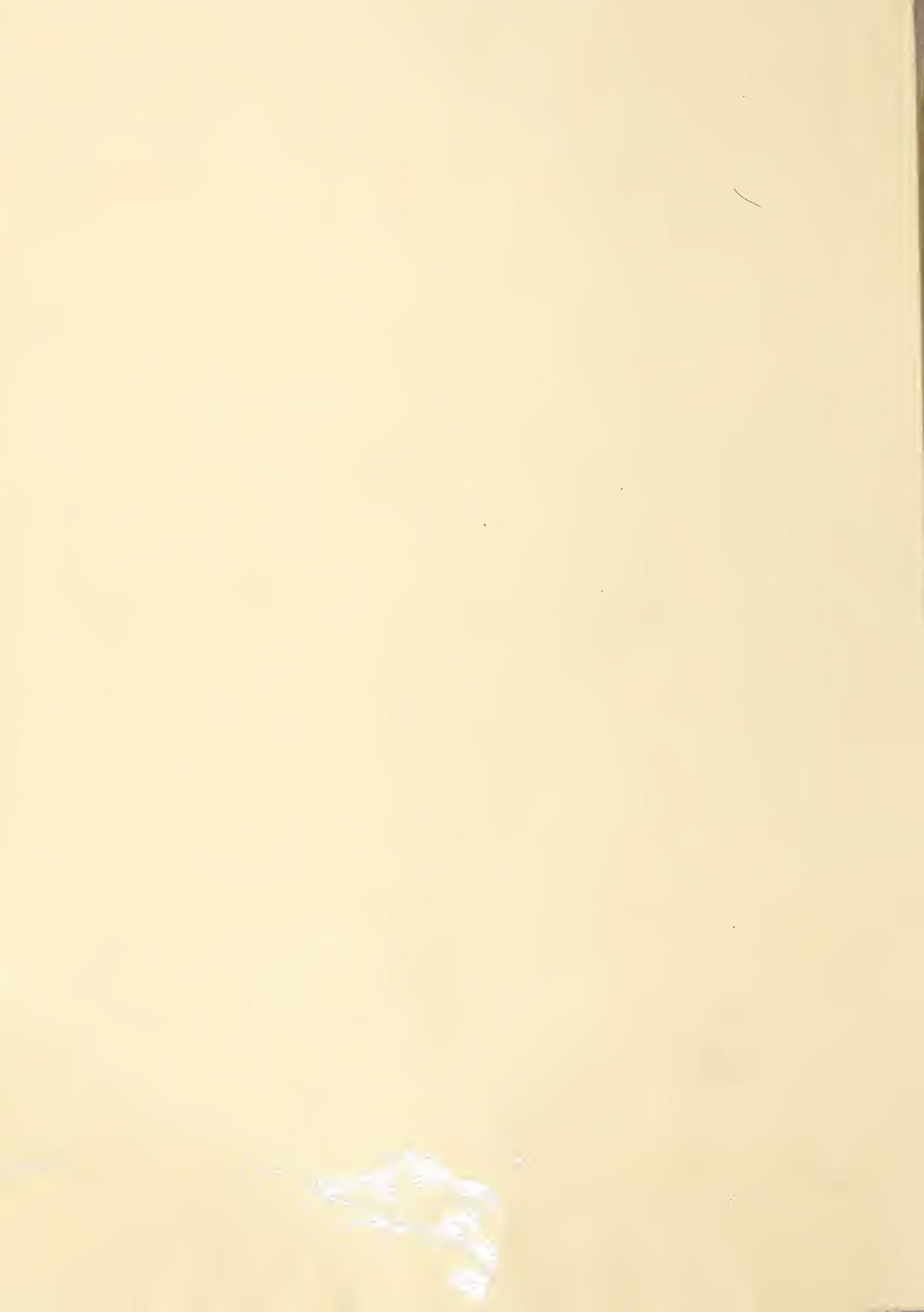


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UNITED STATES' FOREIGN TRADE OUTLOOK FOR MEAT AND MEAT PRODUCTS INCLUDING LIVESTOCK

United States' exports of meats rose sharply in 1956 and conditions appear favorable for a further increase in exports during 1957. The large domestic production, particularly of variety meats, and favorable prices have encouraged a marked increase in the export of this product. Exports of beef and pork during the year were increased through sales to foreign countries for local currencies.

The increase in U.S. meat and meat products' exports occurred even though world meat production continued to increase. Live cattle exports to Latin American countries during the year also increased and are likely to continue the upward trend in 1957. General prosperity exists throughout a relatively large part of the world which has tended to reduce world exports and to increase meat consumption in a number of livestock producing countries. The large import requirements were particularly significant with respect to Western Europe, a deficit producer of meat and meat products.

United States' imports of meat have been declining in recent years. Net imports in 1956 are expected to be about one-half of one percent of the domestic production and are likely to continue at the same level in 1957. These imports for the most part are limited to canned meat, ham and shoulders, lamb, and small quantities of carcass beef. Cattle imports, on the other hand, have declined and are expected to continue relatively small in the immediate future.

Exports

United States' exports of meats, lard, tallow and greases, variety meats, cattle hides, and calf skins continue at high levels and prospects appear to be favorable for the future if economic conditions abroad remain strong. These products are priced relatively low and compete effectively with those from other countries. The United States is the dominant exporter in the world of lard, tallow and greases. Considerable exports of packinghouse products have been financed by programs of the International Cooperation Administration, and by the Department under the provisions of Public Law 480. For further detail on the production, exports and imports of these products see the following table:

Table 1.- United States production and foreign trade
in meat and selected byproducts,
1951-56 1/

Year	Pro- duc- tion	Beef and Veal								Exports and shipments as a percentage of production	
		Imports	Exports	Exports and Shipments			Net imports	Net exports			
				Shipments to U.S. Territories	Total						
		Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Percent	
1951	9,896	484	15	5	20	464	—	—	—	0.2	
1952	10,819	429	20	10	30	399	—	—	—	.3	
1953	13,953	271	45	13	2/60	211	—	—	—	.4	
1954	14,610	226	43	15	3/64	162	—	—	—	.4	
1955	15,146	222	50	18	68	154	—	—	—	.4	
1956 4/	15,900	201	74	20	94	107	—	—	—	.6	
Pork, excluding lard											
1951	11,481	51	93	43	136	—	85	—	—	1.2	
1952	11,527	71	108	46	154	—	83	—	—	1.3	
1953	10,006	164	85	49	134	30	—	—	—	1.3	
1954	9,870	184	60	45	105	79	—	—	—	1.1	
1955	10,991	175	73	53	126	49	—	—	—	1.1	
1956 4/	11,285	165	85	55	140	25	—	—	—	1.2	
Lamb and Mutton											
1951	521	7	1	—	1	6	—	—	—	.2	
1952	648	6	1	—	1	5	—	—	—	.2	
1953	729	3	2	—	2	1	—	—	—	.3	
1954	734	2	2	—	2	—	—	—	—	.3	
1955	758	2	1	—	1	1	—	—	—	.1	
1956 4/	740	1	3	—	3	—	2	—	—	.4	
Total meats											
1951	21,898	542	109	48	157	385	—	—	—	.7	
1952	22,994	506	129	56	185	321	—	—	—	.8	
1953	24,688	438	134	62	2/196	242	—	—	—	.8	
1954	25,214	412	105	60	3/171	241	—	—	—	.7	
1955	26,895	399	124	71	195	204	—	—	—	.7	
1956 4/	27,925	367	162	75	237	130	—	—	—	.8	
Lard, including rendered pork fat											
1951	2,863	---	689	54	743	—	743	—	—	26.0	
1952	2,881	7	634	60	694	—	687	—	—	24.1	
1953	2,355	---	423	53	476	—	476	—	—	20.2	
1954	2,330	---	465	56	521	—	521	—	—	22.4	
1955	2,660	---	562	58	620	—	620	—	—	23.3	
1956 4/	2,750	---	700	60	760	—	760	—	—	27.6	
Tallow and greases											
1951	2,401	4	552	—	552	—	548	—	—	23.0	
1952	2,502	1	785	—	785	—	784	—	—	31.4	
1953	2,923	1	1,242	—	1,242	—	1,241	—	—	42.5	
1954	2,940	4	1,198	—	1,198	—	1,194	—	—	40.7	
1955	3,169	3	1,328	—	1,328	—	1,325	—	—	41.9	
1956 4/	3,385	3	1,700	—	1,700	—	1,697	—	—	50.2	

1/ All meat items are carcass weight equivalent; lard and tallow, product weight.

2/ Includes 2 million pounds (carcass weight equivalent) of canned beef and gravy procured by USDA and shipped by CARE.

3/ Includes 3 million pounds (carcass weight equivalent) of canned beef and gravy transferred from Section 32 for shipment to Germany and 6 million pounds for CARE.

4/ Preliminary.

United States' exports of tallow and grease have risen from 552 million pounds in 1951 to 1.2 billion in 1953 and to 1.3 billion in 1955. This year exports may reach 1.7 billion pounds. During 1955, about 57 percent of the exports went to Europe where the leading importers were the Netherlands, Italy, West Germany, Belgium-Luxembourg, Switzerland, and Yugoslavia.

In the same year 21 percent was destined for Asia, where Japan provided the largest market. Another 9 percent was shipped to countries in North America, Mexico, Cuba and Canada being the largest markets. Last year 8 percent of the United States' export market outlet was in Africa where Egypt and the Union of South Africa were the largest customers. The remaining 4 percent was shipped to South American countries.

During the first 11 months of 1956 the Department agreed to sell 106.3 million pounds of tallows and greases to Spain, Yugoslavia, Chile, Turkey, Nationalist China, and Israel for local currencies under the provisions of Public Law 480. Only about 24 million pounds had been shipped through October 18. Purchase authorizations issued by ICA through September 1956 included 45 million pounds of tallows and greases for Nationalist China, Korea and Yugoslavia.

Table 2.- U.S. Exports of inedible tallow, greases, fats and oils ^{1/}
selected countries 1952-54 and January-September 1955-56

Country	1952	1953	1954	Jan.-Sept.	
				1955	1956
(Thousand pounds)					
Canada	28,144	16,414	13,440	10,515	14,854
Cuba	38,606	27,710	31,926	20,159	27,185
Mexico	45,696	45,908	46,280	34,058	38,185
Chile	1,836	12,270	4,890	3,108	4,561
Colombia	10,080	20,234	16,060	14,785	7,420
Peru	11,166	11,550	9,774	6,275	8,083
Belgium-Lux.	42,924	85,784	47,114	51,530	51,961
France	2,908	18,724	20,706	15,840	3,249
West Germany	34,730	148,646	108,522	79,753	112,047
Italy	110,504	130,000	158,890	133,392	206,808
Netherlands	52,904	159,988	211,376	203,195	188,376
Switzerland	33,942	62,476	25,102	25,812	20,723
Yugoslavia	13,640	22,190	21,456	18,768	24,117
Japan	135,080	217,612	192,614	152,964	168,329
Korea	4,044	7,784	13,268	11,092	17,809
Formosa	10,136	13,728	21,854	14,577	16,843
Egypt	32,104	46,582	48,828	24,654	42,163
Un. of So.Africa	46,640	59,238	54,400	47,228	52,764
Other Countries	103,212	90,168	113,606	97,810	154,811
Total	748,296	1,197,006	1,162,106	965,515	1,160,288

^{1/} Includes animal fats and oil except edible tallow, butter and marine oils.

Compiled from official records of the Bureau of the Census.

United States' exports of lard may total around 700 million pounds in 1956 or about a fourth of the United States' production. In addition 60 million pounds are expected to be shipped to U.S. Territories. United States' exports account for around four-fifths of the total world trade in lard. Cuba and the United Kingdom are the most important single export markets. In 1955 over 53 percent of the exports were shipped to Western Europe, 41 percent to North America, almost 4 percent to South America and small quantities to Asia.

Public Law 480 and other disposal programs have assisted materially in increasing lard exports. Around 120 million pounds of lard were shipped to Yugoslavia, Austria, and Brazil this year under P.L. 480. Agreements have been signed to export an additional 90 million pounds to Korea, Yugoslavia, Chile, Paraguay, and Greece. Other agreements are being negotiated covering substantial additional quantities.

The International Cooperation Administration financed the export of around 167 million pounds of lard to the United Kingdom in 1955 and has provided funds for the purchase of around 130 million pounds additional for shipment in 1956 and early 1957. ICA also financed the purchase of around 14 million pounds for export to Bolivia and West Germany in 1956. The shipments to Germany were for refugee relief feeding.

Table 3.- U.S. Exports of lard, selected countries
1952-54 and January-September 1955-56

Country	1952	1953	1954	Jan.-Sept.	
				1955	1956
(Thousand pounds)					
Canada	1,936	7,020	3,292	3,084	7,067
Cuba	173,817	142,391	158,327	126,403	120,545
Costa Rica	7,613	7,513	7,029	5,523	4,931
Guatemala	5,935	7,311	8,934	7,275	5,684
Mexico	37,050	39,983	30,649	14,473	11,769
Bolivia	2,491	2,178	4,994	5,550	7,159
Peru	22,878	15,373	4,837	5,359	5,639
Austria	35,718	20,687	18,478	14,653	24,537
West Germany	95,812	34,316	49,583	40,913	46,672
Netherlands	49,184	34,576	14,294	17,366	2,839
United Kingdom	102,846	24,197	97,107	91,779	112,125
Yugoslavia	38,755	20,757	26,787	12,787	88,496
Other Countries	59,710	66,289	41,086	24,135	32,673
Total	633,745	422,591	465,397	369,300	470,136

Compiled from official records of the Bureau of the Census.

Beef exports this year are being materially increased by shipments under P.L. 480 and other legislation. Exports and shipments to Territories in 1955 totaled 68 million pounds (carcass weight basis) but may be around 94 million in 1956. Since late 1955 ICA has financed purchases of beef for Spain of approximately 30 million pounds and most of this quantity will be shipped this year. In addition Spain has been authorized to buy around

56 million pounds of carcass beef and variety meats from the United States under P.L. 480. These exports will take place largely in 1957. A recent agreement with Turkey involves the export of around 17.6 million pounds of beef.

United States' exports of variety meats have shown a spectacular increase in recent years and indications are that this trend will continue. Exports of these products, exclusive of canned, totaled 45.9 million pounds in 1954 and rose to 69.5 million in 1955. During the first 9 months of 1956, 71.6 million pounds were exported.

Table 4.- U.S. imports of canned beef and
canned hams and shoulders, selected countries
1952-54 and January-September 1955-56

Country	Canned Beef				
	1952	1953	1954	Jan.-Sept. 1955	1956
(Thousand pounds)					
Argentina	94,344	83,105	59,691	63,451	48,673
Uruguay	15,789	15,632	23,851	1,184	2,887
Brazil	3,127	73	1,106	3,108	2,212
Mexico	3,370	727	282	1,800	-
Other Countries	3,551	561	314	215	734
Total	120,181	100,098	85,244	69,758	54,506
Hams, shoulders and bacon (including canned)					
Netherlands	19,939	36,328	37,005	20,529	22,829
Denmark	8,818	15,425	22,488	18,034	13,929
Poland	9,366	13,409	18,496	15,842	18,604
Canada	14,836	26,388	17,917	14,005	11,522
West Germany	3,645	13,061	15,455	10,099	7,294
Other Countries	589	1,495	1,413	1,735	60
Total	57,193	106,106	112,774	80,244	74,238

Compiled from official records of the Bureau of the Census.

A moderate increase in pork exports is occurring this year and the outlook appears favorable for a further moderate rise in 1957. Cuba, West Germany and the Netherlands are usually the largest export markets for pork from the United States. Exports to Cuba have been at a high level, reflecting the low import prices. Germany has recently liberalized dollar imports of fatback. British Honduras, Trinidad, and Venezuela have removed previous restrictions on imports from the United States established because of the presence of V.E. disease here.

A P.L. 480 agreement has been signed authorizing the sale of around 20 million pounds of canned pork to Korea. Shipments under this program are expected to go forward largely in 1957. Purchases are also being made for the shipment of about 5 million pounds of canned hams and fatback to Spain.

Table 5.- U.S. exports of cured pork, variety meats,
selected countries, 1952-54 and January-September 1955-56

Smoked, pickled and cured pork (excluding canned)

Country	1952	1953	1954	Jan.-Sept.	
				1955	1956
(Thousand pounds)					
Cuba	33,017	21,351	19,041	20,687	24,379
West Germany	24,679	34,097	11,376	10,501	8,386
Netherlands	9,829	55	3,853	4,934	5,965
Mexico	133	207	10	61	1,431
Republic of Panama	773	651	719	369	171
Panama Canal Zone	806	776	551	610	874
Venezuela	1,018	261	173	27	-
Other Countries	8,789	11,194	7,500	2,575	7,459
Total	79,044	68,592	43,223	39,764	1/ 48,665

Fresh and frozen variety meats

Canada	1,541	4,258	4,618	6,573	4,733
Mexico	28	128	797	1,638	2,194
United Kingdom	-	17	41	1,394	1,438
Netherlands	2,106	19,132	28,675	23,938	32,826
France	295	1,772	2,341	1,538	3,027
West Germany	67	2,763	7,389	9,238	19,646
Switzerland	129	582	1,043	811	725
Spain	-	-	-	-	-
Other Countries	179	377	1,019	95	6,961
Total	4,345	29,029	45,923	45,225	71,550

1/ Includes fresh and frozen pork in January-June.

Compiled from official records of the Bureau of the Census

Exports of cattle from the United States are expected to continue relatively large in 1957. Exports totaled 34,879 head in 1955 and were the largest since 1946. The outward movement in the first 9 months of 1956 was 26,542 head, a gain of nearly 35 percent over the same period of 1955. Mexico, Canada, Venezuela, Cuba, Colombia, Guatemala, and the Dominican Republic have been the principal foreign markets this year. Smaller numbers have been shipped to a large number of countries but principally to Central and South America.

The large imports of cattle from the United States are mainly due to programs in the foreign countries to improve the quality of the local herds and to increase domestic meat supplies. The governments of Colombia, Venezuela and Mexico have been very active in promoting livestock improvement programs. There have been some exports of U.S. slaughter cattle to Canada thus reflecting the strong demand for beef and relatively high prices in Canada.

Public Law 480 and other Government Programs Stimulate Exports

The United States' exports of meat and meat products have been stimulated principally by the government programs implemented by the United States Department of Agriculture and the International Cooperation Administration. Exports under these programs are in addition to regular commercial sales. Through December 5, 1956 the sales under the P. L. 480 program represented a value of 79 million dollars. The detailed information concerning authorizations under P. L. 480 are itemized in the following table:

Table 6.- Purchase authorizations for meat, lard and tallow issued by the Department of Agriculture under Public Law 480, to December 3, 1956

Commodity and country	:Purchase: :author- :ization :number	Estimated purchases	:Value	:Quantity	Contracting period	Last day of: Delivery period
		Mil.dol.	Mil.lb.			
<u>Meat</u>	:					
Beef	:					
Israel	: 16-19	10.00	39.7		12-31-56	3-30-57
Spain	: 17-22	2.00	8.4		11-30-56	12-31-56
Spain	: 17-25	11.50	47.9		5-31-57	6-29-57
Turkey	:	4.40	17.6		Agreement signed 11-13-56 P.A. expected to be issued soon.	
Canned pork	:					
Korea	: 24-05	8.29	19.8		3-31-57	6-30-57
Canned ham	:					
Spain	: 17-14	.60	.9		11-30-56	12-31-56
Cured fat backs	:					
Spain	: 17-24	.80	4.3		2-28-57	3-30-57
Total	:	37.59	138.6			
<u>Lard</u>	:					
Austria	: 21-08	2.40	2/21.2		6-30-56	9-30-56
Brazil	: 28-02	1.79	2/10.4		7-31-56	8-31-56
Chile	: 12-07	.50	3.3		10-31-56	11-30-56
Greece	: 26-18	.53	3.5		11-30-56	12-30-56
Korea	: 24-10	1.50	14.3		11-30-56	12-31-56
Paraguay	: 36-04	.20	1.3		10-1-56	10-31-56
Yugoslavia	: 11-07	10.80	2/84.6		5-31-56	7-10-56
Yugoslavia	:	10.90	70.5		Agreement signed 11-3-56	
Total	:	28.62	209.1			
<u>Tallow</u>	:					
Chile	: 12-09	.60	4.6		10-31-56	11-30-56
Rep. of China	: 37-01	1.10	10.8		11-30-56	12-31-56
Israel	: 16-23	.11	1.0		12-31-56	1-31-57
Spain	: 17-13	2.00	2/20.3		11-30-56	12-31-56
Spain	: 17-28	2.80	28.0		5-31-57	6-29-57
Turkey	:	3.30	33.1		Agreement signed 11-13-56 P. A. expected to be issued soon.	
Turkey	: 10-12	1.10	11.2		8-31-56	2-28-57
Yugoslavia	: 11-13	1.80	17.6		5-31-57	6-29-57
Total	:	12.81	126.6			

1/ Overseas shipments follow delivery to purchasers in the United States.

2/ Actual shipments; program completed.

The United States has been a net exporter of cattle hides for four years and calf and kip skins for three years. It is expected that exports will continue at a fairly high level in 1957. Hides and skins are relatively free of import restrictions, other than those imposed to conserve dollar exchange. In 1955 around one out of each five cattle hides and calf skins produced entered foreign markets. More than 50 countries import United States' hides and skins. Japan, the Netherlands, Western Germany, Mexico, Canada, the United Kingdom, Belgium and Yugoslavia take the most. The exports' and imports' data of the principal hides and skins are given in detail in the following table:

Table 7.- Hides and Skins: U.S. Foreign Trade, averages
1935-39 and 1946-50, Annual 1952-55

	Averages						Jan.-Sept.								
	1935-39	1946-50	1952	1953	1954	1955	1955	1956							
(Thousand pieces)															
<u>Calf and Kip</u>															
Imports	3,181	:	1,265	:	1,628	:	1,904	:	1,189	:	1,439	:	1,005	:	947
Exports	555	:	593	:	794	:	1,580	:	2,567	:	3,579	:	2,528	:	2,042
Net Imports	2,626	:	672	:	834	:	324	:	--	:	--	:	--	:	--
Net Exports	-	:	-	:	-	:	-	:	1,378	:	2,140	:	1,523	:	1,095
<u>Cattle Hides</u>															
Imports	2,580	:	1,872	:	1,230	:	455	:	443	:	344	:	290	:	263
Exports	533	:	868	:	1,138	:	2,381	:	5,178	:	5,852	:	4,091	:	3,647
Net Imports	2,047	:	1,004	:	92	:	--	:	--	:	--	:	--	:	--
Net Exports	--	:	--	:	--	:	1,926	:	4,735	:	5,508	:	3,801	:	3,384
<u>Goat and Kid</u>															
Imports 1/	43,260	:	36,639	:	29,716	:	31,904	:	25,231	:	28,504	:	21,016	:	21,984
<u>Sheep and Lamb</u>															
Imports	21,057	:	24,545	:	19,325	:	25,049	:	20,586	:	20,402	:	17,893	:	22,980
Exports	1,996	:	696	:	497	:	419	:	586	:	847	:	653	:	604
Net Imports	19,061	:	23,849	:	18,828	:	24,630	:	20,000	:	19,555	:	17,240	:	22,376

1/ Imports only.

Compiled from official records of the Bureau of the Census.

Imports

Meat imports into United States are expected to total around 367 million pounds (carcass weight) in 1956. Imports of meat for 1957 are likely to continue at about the same level as this year. Live cattle imports in 1957 on the other hand may be even less than reported in 1956.

Beef imports during 1956 are expected to total somewhat less than in 1955 and might be the smallest since 1947. Some increase in imports is possible in 1957. Imports are mainly canned corned beef from Argentina, Brazil and Uruguay. This product is not packed in small cans in the United States and foreign sources make up the bulk of the supply. Limited

quantities of fresh beef are imported from Canada and processing beef from Mexico. Uruguay and Brazil have experienced difficulties in exporting canned beef to the United States in recent months due to relatively small domestic meat supplies and high costs in relation to the export prices. Special subsidy programs are in force to stimulate exports. Argentina has greatly increased its beef production in the past 2 years and a further increase in output is expected in 1957.

Relatively small quantities of fresh and cured beef and some cattle are imported from Canada and Mexico. In 1956 only around 12 million pounds of beef and veal and 50,000 cattle and calves are being received from Canada and 6 million pounds and 80,000 head from Mexico. No large imports of beef or cattle from either Canada or Mexico are likely in 1957. High economic activity in Canada together with an increasing population is creating an unusually strong demand for meat. Cattle slaughter has been at a record level but small quantities of beef and few cattle have been available for export. Northern Mexican ranchers have relatively few cattle for sale due to several years of drought and losses from foot-and-mouth disease prior to January 1, 1955. Mexico has recently had approval of a 5 million dollar loan from the Export-Import Bank to finance purchases of beef and dairy breeding cattle from the United States. Mexico has imported large numbers of sheep and hogs for breeding purposes under its National program to increase livestock output and reduce imports of lard, tallow, wool, and hides.

